# Town of Brookline

## Massachusetts

### HOUSING ADVISORY BOARD

Public Meeting June 30, 2021 5:00 – 7:00 pm

#### PARTICIPATION IN THIS MEETING IS AS FOLLOWS:

#### Register for this meeting by following this link:

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Phone Number: +1 669 254 5252

Webinar ID: 161 842 7840

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#### **AGENDA**

- 1. Approval of minutes from HAB meeting and public hearing on May 19, 2021
- 2. Updates on housing-related warrant articles passed at Spring Town Meeting
- 3. Community Preservation Act/ Community Preservation Committee
- 4. Discussion of potential affordable housing uses for ARPA Funds
- 5. Presentation by Lower Boylston Street Corridor Planning Committee
- 6. Updates
  - BHA Colonel Floyd Comp permit review process underway for 32 Marion Street; Ribbon cutting for 0'Shea (61 Park Street) Wednesday, September 22<sup>nd</sup> at 2 p.m.
  - HSL 108 Centre Street PEL received and Comp permit submitted on June 4<sup>th</sup>.
  - Housing Production Plan continued review of response to RFP.
  - Kent Street Committee Grant application to MassWorks submitted.
  - Inclusionary Zoning one additional IZ project with cash payment option submitted
  - Affordable Homebuyer Unit Re-sales 1 unit closed; 1 unit held lottery; 2 units expected for re-sale soon
- 7. New Business

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# HOUSING ADVISORY BOARD MINUTES May 19, 2021 VIRTUAL MEETING AND PUBLIC HEARING

HAB Members: Roger Blood, Steve Heikin, Michael Jacobs, Jennifer Raitt, Rita McNally, Jonathan Klein, Pam Goodman, Heather Hamilton

Staff: Virginia Bullock, David Guzman, Joseph Viola

Roger Blood convened the meeting at 5:00 p.m.

HAB Members reviewed the minutes of the April 15<sup>th</sup> HAB meeting and voted unanimously to accept them.

#### Hebrew Senior Life 40B Project at 108 Center Street

Roger noted that Hebrew Senior Life has requested a Project Eligibility Letter (PEL) for 108 Centre Street from DHCD. Virginia noted that this would be an opportunity to hear about the project from the HSL team and to approve a draft support letter that would accompany the Select Board's response to DHCD. The HAB may ask some initial questions regarding the preliminary budget but the primary focus of the discussion will be regarding the PEL request and the permitting process.

Jennifer Gilbert introduced herself and the HSL Team including Rhonda Glyman, Executive Director of Center Communities of Brookline, Deb Morse, Vice President of Real Estate for HSL, and the 40b consultant, Tara Mizrahi, Executive Vice President for Affirmative Investments. Jennifer noted that several HAB members had attended the presentation to the Select Board in support of the project, which had happened several days earlier. HSL hopes to get the 40B application into the Town as soon as it receives the PEL.

Rhonda Glyman noted that the total number of units is now 54 and that all residents will have access to quality services. Much of the ground floor will be able to be used by the Senior Center and there will also be a physical connection to the Senior Center.

Deb Morse noted that there has been a robust community process so far. The project contains 54 one-bedroom units for households aged 62+. The first floor will be a combination of office and administrative space for HSL as well as 5,000 square feet of community space that they hope to make available to the Senior Center. Eighteen of the 54 units will be deeply subsidized to households earning up to 50% AMI and the balance for households earning up to 60% AMI. The project will meet passive house standards and be fossil fuel free except for domestic hot water. They are proposing that there will be no on-site residential parking. All units and common spaces will be accessible. The architect went over the current proposed design. She reviewed the site plan that allows for an off-street drop-off area in front of the property.

Deborah Morse and Tara Mizrahi went through the financial statements. At this point they are at conceptual design phase and the budget reflects that. They hope to submit a pre-application to DHCD in October and at that point they hope to have schematic drawings and a cost estimate. If they are invited to submit to DHCD for the full funding round in January, they will have a 70% construction drawings set with detailed cost projections at that point. One bedroom units are 605 – 630 SF.

Tara reviewed the budget included in the PEL application. The team is working quickly to firm up the budget and design. This project aligns very well for the state's priorities and will score well for funding. At this point they are

assuming approximately \$100,000 per unit of DHCD soft funds in addition to Federal and State tax credits. They have had preliminary conversations with DHCD which has expressed support for the project. There is a line item for community fundraising for the senior center space and approximately \$3 million in funding from the Town. At this point there is a TDC of \$540,000 per unit but HSL hopes to lower that. The project will not trigger Davis-Bacon. HSL would like to come back to the HAB later in the summer with a request for Town funding once the budget is developed further.

HAB members asked several questions regarding the budget. Affirmative Investments are consultants to this project. Current operating budget is about \$10,800 per unit. The hope is that the Town will provide much of the funding to operate the Senior Center space and the team is working with Town Counsel to address budgeting and procurement issues. The project is under the DHCD cap for developer fee and overhead which includes the development consultant's fee. There are some vacancies in the underground parking garage and HSL has also seen a decline in parking demand over the years. The building will be fully sprinkled.

Tara went through the expectations for various DHCD soft debt sources. Deb explained how those sources work in general. The hard cost assumption is a total number from Kaplan Construction which will be refined over time. The project now reflects high rise construction costs due to the addition of nine units on an additional floor. While they know the costs are high, they have received positive signals from DHCD to proceed with a higher unit count. They are working with Kaplan now to do initial cost estimates, but the project will be bid once federal and state funding is received.

Roger asked questions about the acquisition cost line item. Deborah explained that HSL will be reimbursed for its actual prior site acquisition cost and carrying costs at closing which is important to HSL as a nonprofit.

HAB members reviewed the draft support letter. Jenny proposed an amendment. Jonathan made a motion to adopt it, Pam seconded and the HAB, then

VOTED unanimously to accept the recommended letter of support from the Town as amended.

#### **Town Meeting**

Roger reported that there had been a number of discussions about Short Term Rentals in preparation for Town Meeting, following the November TM referral of the STR articles to a Moderator's study committee for recommendations to the upcoming May Town Meeting. He noted that the HAB had held a public meeting and issued a statement on STR's prior the November Town Meeting, but had decided not to hold another public hearing on the revised STR articles and, therefore, cannot offer the current TM meeting a new or revised position on STR's.

Roger requested that the HAB authorize him to provide Town Meeting its prior statement regarding the potential of STR's to reduce the amount of Brookline's existing affordable housing, including the incentives for owners to substitute short term rentals for existing rental of rooms for shelter HAB members discussed elements of the debate on STRs and decided to keep it focused on the issues related to removing low-cost housing options, including the rental of individual rooms, from the housing stock. Jenny moved, Mike seconded and the HAB members

**VOTED** unanimously to approve presenting the HAB's 2020 statement on Short Term Rentals to the current Town Meeting as follows:

As advocates for the creation and preservation of all types of affordable and non-luxury housing in Brookline, the Housing Advisory Board recommends that Town Meeting consider the extent to which the

use of existing housing for short-term (transient) rental business may remove affordable housing units, including rented rooms within housing units, from the Town's long-term rental housing stock.

Roger also noted that he will also be advocating for the HAB's proposed amendment to Warrant Article 32 that would designate the permanent appointment of a HAB member to the Town's new Community Preservation Committee. He noted that the Select Board voted unanimously in favor of this amendment but that the Advisory Committee had reversed the unanimous favorable position of its subcommittee and was now opposing the HAB amendment by a narrow margin. Members noted that including a Municipal Trust Fund Board member on the CPC is important and that it would likely have been included in the legislation if these boards had existed at the time that the CPA was originally passed.

Members also briefly discussed Warrant Articles 38 (study of affordable housing for Newbury West Parcel), 39 (study of affordable housing for Babcock Street municipal parking lot) and 23 (HAB-sponsored article strengthening Inclusionary Zoning Section 4.08).

Members discussed a letter from Brookline by Design and noted that it might be helpful to have members from that group attend a future HAB meeting to discuss the HPP. Members also requested that other groups like Brookline for Everyone be invited as well. After discussion, it was decided to ask the HPP consultant to hold focus groups or utilize other outreach methods to solicit feedback from these groups regarding specific issues raised in the Brookline by Design letter.

The meeting was adjourned at 6:40 p.m.

#### **MEMORANDUM**

TO: Municipal and County Chief Executives

FR: Executive Office for Administration & Finance Federal Funds Office (FFO)

**DT**: June 3, 2021

RE: Coronavirus Local Fiscal Recovery Fund (CLFRF) Eligible Uses

On March 11, 2021, the President of the United States signed into law the American Rescue Plan Act of 2021 (ARPA), Pub. L. No. 117-2. This law provides resources through the new Coronavirus Local Fiscal Recovery Fund (CLFRF) to local governments to respond to the public health emergency caused by the Coronavirus Disease (COVID-19). This fund is administered by the US Department of the Treasury (hereafter, "US Treasury" or "Treasury").

On May 10, 2021, the US Treasury issued the <u>Interim Final Rule</u> (IFR) (i.e., eligibility guidelines) document for CLFRF. The "key takeaways" regarding eligibility uses of CLFRF are outlined in this memo. This memo should be used as a brief outline of the relevant Treasury guidance. For specific eligibility questions, municipalities should refer to Treasury's published materials.

Of note, unlike with the CARES Act Coronavirus Relief Fund – Municipal Program (CvRF-MP), A&F's Federal Funds Office (FFO) and the Division of Local Services (DLS) will not make individual eligibility determinations regarding the use of CLFRF for specific expenses. The responsibility for such determinations falls on the municipality or county, as they are the "prime recipient" of the funding. Municipalities and counties should refer to the IFR when making such determinations. This varies from CvRF-MP, as the Commonwealth was the prime recipient of the relevant CvRF-MP funding, which was then "sub-granted" to eligible municipalities (the "subrecipients").

#### Eligible Uses

Treasury has identified five core areas for deploying funds:

- 1. **Public health spending**. This includes COVID-19 mitigation efforts, medical expenses, behavioral health, and certain public health and safety staff.
- 2. Economic impacts of the public health emergency. These include efforts to mitigate economic harm to workers, households, small businesses, affected industries, and the public sector.
- 3. Lost public sector revenue. Payments may be used to fund government services to the extent of revenue reductions from the pandemic (further information on this eligible use can be found <a href="https://example.com/here">here</a>).
- 4. **Premium pay for essential workers**. Funds may be used for additional support for those who have faced the greatest health risks because of their service in critical infrastructure sectors (further information on this eligible use can be found in the IFR, pages 40-46).

- 5. Water, sewer, and broadband infrastructure. Recipients may invest to improve access to clean drinking water, support wastewater and stormwater infrastructure, and expand access to broadband internet.
  - a. Wide range of eligible water and sewer infrastructure projects specifically, all that would otherwise be eligible to receive financial assistance through the Environmental Protection Agency's (EPA) Clean Water State Revolving Fund (CWSRF) or Drinking Water State Revolving Fund (DWSRF).
  - b. Broadband projects must provide service to unserved and underserved households and businesses. Eligible projects are expected to be designed to deliver, upon project completion, service that reliably meets or exceeds symmetrical upload and download speeds of 100 Mbps

#### Potential eligible uses within these five core areas include the following expenses:

- Direct COVID-related costs (testing, contact tracing, etc.)
- Public health and safety staff
- Hiring state and local government staff up to the number of employees to pre-pandemic levels
- Assistance to unemployed workers, including job training
- Contributions to UI systems
- Small business assistance
- Nonprofit assistance
- Assistance to households
- Aid to impacted industries
- Expenses to improve efficacy of public health or economic relief programs
- Survivor's benefits

#### CLFRF funding *cannot* be used to:

- Replenish a "rainy day" fund or other reserve fund
- Make a deposit to a pension fund

#### Addressing Disparities in Public Health Outcomes

Additional uses are eligible for populations within a "Qualified Census Tract" (QCT) - a low-income area as designated by the Department of Housing and Urban Development. The recipients of such services are presumed eligible without an individual determination of COVID-19 impact due to Treasury's presumption of adverse impacts from COVID-19 to all populations located within a QCT. Services targeted towards these populations and funded through CLFRF can include all eligible uses listed above, as well as those that:

- Address health disparities and the social determinants of health
- Invest in housing and neighborhoods
- Address educational disparities
- Promote healthy childhood environments

Recipients (municipalities and counties) have the ability to generate their own definition of "disproportionately impacted populations or communities", so long as the recipient can "support their determination that the pandemic resulted in disproportionate public health or economic outcomes to the specific populations, households, or geographic areas to be served."

#### **Transfers**

Counties and municipalities are able to transfer CLFRF funding other governmental, private, and non-profit organizations. The IFR stipulates that the transferee becomes the subrecipient and the transferor (in this scenario, the county or municipality), as the prime recipient, is responsible for ensuring that transferred funds used in compliance with guidelines laid out in the IFR and maintains responsibility for all relevant spending reporting requirements.

Counties and municipalities are able to transfer their award to the Commonwealth without such subrecipient restrictions applying, however. In this scenario, the Commonwealth becomes the prime recipient of the funding and Treasury adjusts award amounts for the "original" recipient accordingly. For such a transfer to be initiated, the county or municipality must submit a formal request to Treasury.

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Inclusionary Zoning and 40B Projects - Approved by ZBA but Not Completed or Placed on the SHI	- Approved by ZBA but f	Not Completed or Plac	ed on the SHI	(updated June 2021)
	Total	Affordable	Year	
	Units:	Units:	Approved:	Status:
40B Projects - approved:				
Residences of South Brookline	175	35	2016	under construction/lottery complete/ expected completion 2021
21 Crowninshield	*	2	2016	under construction/change from rental to ownership units approved by ZBA
40 Centre Street	40	10	2017	litigation with neighbors complete/ appeal period
1180 Boylston Street	20	10	2017	approved - building permit pulled
Babcock Place	45 *	12	2018	under construction/ expected completion 2021/marketing not begun
Puddingstone	250	20	2018	all modifications approved - seeking building permit later this year
1299 Beacon Street	22 *	11	2019	approved - no building permit
445 Harvard Street	25 *	2	2019	approved - no building permit - in litigation with abutter
Total:	648	135		

<sup>\*</sup>these four projects are on the current SHI but may be removed if building permit or completion deadlines are not met.

40B Projects - under review:				
1223 Beacon Street	123	31	Comp Permit under	Permit under review by the ZBA - continued (on hold)
500 Harvard Street	30	9	Comp Permit review	Permit review closed - decision being written
217 Kent Street	06	23	Comp Permit under	Permit under review by the ZBA - in process
209 Harvard Street	44	11	Comp Permit under	Permit under review by the ZBA - in process
83 Longwood Ave	64	13	Comp Permit under	Permit under review by the ZBA - in process
32 Marion/BHA Col Floyd	115	115	Comp Permit under	Permit under review by the ZBA - in process (next hearing: June 29th)
108 Centre Street	54	54	Comp Permit submitted June 4th	ted June 4th
45 Bartlett Crescent	24	9	PEL Request to Mass	PEL Request to MassHousing - condos at 80% AMI
Total:	544	259		
IZ Projects - approved or in process:				
1026-1028 Commonwealth Ave	15	cash payment	2017	Payment made in April
20 Boylston Street	14	cash payment	2018	Condos - expected completion by Fall of 2021
54 Auburn Street	12	cash payment	2019	Rental - expected completion by Fall of 2021
199-201 Boylston Street	9	cash payment	2019	under construction/progress slowed by pandemic
603 - 619 Boylston Street	12	cash payment	2019	approved - in litigation with neighbors
Gerry Building	36	5	2019	Rentals - under construction, completion expected Feb of 22
The Coolidge	140	11 + cash payment	2019	just starting approval process for building permit
58 Kent Street	6	cash payment	2020	currently seeking building permit
14 Green Street	2	cash payment	NA	Under review by PB & ZBA
1684 Beacon Street	2	cash payment	NA	Under review by PB & ZBA
15 Euston Street	4	cash payment	NA	Under review by PB & ZBA
1693 Beacon Street	Н	cash payment	NA	Under review by PB & ZBA
Total:	259	16 units + cash payments	nts	